



## State of Utah

GARY R. HERBERT

Governor

GREG BELL

Lieutenant Governor

TODD E. KISER

Acting Commissioner

# Insurance Department

## State of Utah Title and Escrow Commission Meeting Meeting Information

**Date:** January 13, 2014 **Time:** 10:15 AM **Place:** East Bldg, **Copper** Room

### MEMBERS

(Attendees = x)

#### COMMISSION MEMBERS

xChair, Kirk Smith, <i>Weber Cnty</i>	xMatt Sager, <i>Maricopa Cnty, AZ</i>
xCo-Chair, Larry Blake, <i>Washington Cnty</i>	xSylvia Andersen, <i>Public Member</i>
xJeff Wiener, <i>Salt Lake Cnty</i>	

#### DEPARTMENT STAFF

xPerri Babalis, <i>AG Counsel</i>	xBrett Barratt, <i>Deputy Comm.</i>	xMark Kleinfeld, <i>ALJ</i>
xSuzette Green-Wright, <i>MC Dir.</i>	Tammy Greening, <i>Examiner</i>	xJilene Whitby, <i>PIO Recorder</i>

#### PUBLIC

Carol Yamamoto	Pete Stevens	Tige Garner
James Seaman	Lincoln Scoffield	David Moore
Glen Roberts	R. Heiner	

## AGENDA

### *General Session: (Open to the Public)*

- **Welcome / Kirk Smith, Chair**  
At 10:15 Kirk welcomed everyone, as well as Commissioner Kiser. He excused Tamara Greening who was ill.
- **Adopt Minutes of Previous Meeting**  
Larry made a **motion** to adopt the minutes, Sylvia seconded it and the vote was unanimous.
- **Reports**
  - **Concur with Licensee Report / Suzette**  
This shows smallest number of late renewals. She thought she would have the total number of licensees by end of meeting. **Motion** by Matt to concur, seconded by Larry and vote was unanimous.
  - **Concur with Complaint & Enforcement Report / Suzette**  
Suzette said the first page had two e-cases that had gone out but there had been no responses yet. Two seldom used codes have been eliminated from the second page. The green bars show the new cites. Kirk noted that the number of complaints remains small. Suzette said the department receives a lot of inquiries but they do not rise to the level of a complaint. **Motion** to concur by Larry, seconded by Matt and the vote was unanimous.
  - **Request for Dual Licensee Expedited Request:** None
  - **Request for Attorney Exemption:** None
- **Administrative Proceedings Action / ALJ**
  - **Stipulation & Order:** Mark Kleinfeld, ALJ
    - **Keystone Title Insurance Agency, LLC**  
Keystone did 122 closings from June 30 to July 11 with lapsed license. Proposed Forfeiture of \$1,500. **Motion** to concur by Matt, seconded by Jeff, vote was unanimous.
    - **Mountain View Title & Escrow, Inc.**  
On November 12, 2012 the Department received complaint of illegal activities. An

audit was done which disclosed 74 closings made with a lapsed license. Proposed Forfeiture of \$10,500 and one year probation. There was evidence of co-mingling. Matt asked Perri if he should recuse himself. Perri said he should disclose his relationship. It was then up to him to recuse himself if he felt it necessary. Matt made the disclosure that Mountain View is an agent of the company he works for. Matt did not recuse himself. Larry made a **motion** to concur, seconded by Sylvia, vote unanimous.

- **Eagle Gate Title Insurance Agency, Inc.**

54 closings from June 30 to July 12 2013 while license lapsed. Forfeiture of \$1,500. **Motion** to concur by Jeff, seconded by Larry, vote unanimous.

- **Williams Title Guaranty & Escrow Agency, Ltd, Inc.**

Market Conduct is reviewing this case.

- **Request for a Hearing:** None

- **Order to Show Cause:** None

- **Informal Adjudicative Proceeding & Order:** None

- **Notice of Formal Adjudicative Proceeding:** Hilary Martin

Prehearing set for January 22, 2014. Mark asked the Commission if they would like to hear this case. Hearing would probably be in March. **Motion** from Matt to hear the case, seconded by Sylvia, vote was unanimous.

- **Old Business**

- **Update Request to SIRCON Regarding Inactivation Notices** / Brett

- Two years ago the Department asked SIRCON to send agency or individual license inactivation notices to insurers that the individual or agency were appointed with. This is now in the testing phase and may be implemented by the next Title meeting.

- In regards to individual inactivation notifications being sent to agencies the individual was designated with, the Department is waiting for SIRCON to make this available in Texas. Once it is, the Department will ask SIRCON to make this function available in Utah. There would then be no cost for making the change.

- **New Business**

- **Discuss Amendments to R592-8-5** / Perri

While considering the attorney exemption procedure Perri discovered a few changes that needed to be made in Rule R592-8-5.

- The character of the attorney needs to be considered. The statute does not allow this to be added to this rule. It can be considered when licensing a person.

- Subsection R592-8-5(6)(b) eliminates “agency review” before a hearing. It should be done after the hearing.

- A new Subsection 8 needs to be added that would allow the applicant to ask for a hearing when the Commission and commissioner do not agree on their exemption.

Kirk asked the public and Commission for comments. None were offered. Jeff made a **motion** to start the formal rulemaking process, seconded by Matt, the vote was unanimous.

- **Other Business**

- It was noted that there would be a **Legislative Rules Hearing** Monday, January 20, 2014, at 9:00am, in Room 445 of the Capitol. The Committee wants to determine who has final authority in setting penalties, the Commission or Commissioner.

- Further changes have been made to **Rule R592-11** as a result of the hearing and comment period. An additional comment period will be provided to receive comments. It will be put on next month’s agenda for concurrence.

- Jeff asked that **CFPB** be added to next month’s agenda. They need to discuss changes made late last year regarding settlement services, its impact on regulation of title and escrow industry, as well as the impact of Bulletin 2013-6 about not acting at a loss.

- Brett noted that the **legislative session begins January 27<sup>th</sup>**. He suggested it be put on the agenda for the next few months to discuss bills affecting this industry.
- **Commissioner Kiser** thanked them for their service.

*Executive Session (Closed to Public)*

*General Session: (Open to the Public)*

- **Adjourn:** **Motion** by Matt to adjourn at 10:55, seconded by Larry.
- **Next Meeting:** February 10, 2014, Copper Room

#### **2014 Meeting Schedule**

*(2<sup>nd</sup> Monday except in October)*

<del>Jan 13</del>	Feb 10	Mar 10	Apr 14	May 12	Jun 9
Jul 14	Aug 11	Sept 8	Oct 20	Nov 10	Dec 8